

## Message Text

CONFIDENTIAL

PAGE 01 LONDON 01729 031829Z

66

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 /059 W

----- 030203

R 031813Z FEB 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 8692

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

C O N F I D E N T I A L LONDON 01729

E.O. 11652: GDS

TAGS: UK, PINT

SUBJECT: THOPPE IN THE NEWS

1. SUMMARY AND INTRODUCTION - THE LIBERAL PARTY, GENERALLY ABSENT FROM PUBLIC VIEW AND THE FRONT PAGES SINCE THE OCTMBER 1974 GENERAL ELECTION, HAS RETURNED TO THE HEADLINES IN THE PAST FEW DAYS. THE PARTY, HOWEVER, WOULD HAVE CHOSEN A DIFFERENT ROUTE TO PUBLIC ATTENTION THAN TWO SEPARATE EMBARRASSMENTS TO ITS LEADER, JEREMY THORPE, WHICH FURTHER WEAKENED HIS POSITION AS HEAD OF THE PARTY.

2. FIRST, A DEPARTMENT OF TRADE REPORT RELEASED LAST WEEK CRITICIZED THORPE'S ASSOCIATION WITH A FAILED SECONDARY BANK, LONDON AND COUNTY SECURITIES. THORPE BECAME A DIRECTOR OF THE BANK IN 1971 AT AN ANNUAL SALARY OF 5,000 POUNDS AND RESIGNED SHORTLY AFTER IT COLLAPSED IN NOVEMBER, 1973 WITH A DEFICIT OF 51 MILLION POUNDS. THE REPORT ALLEGES THAT THE BANK'S CHAIRMAN, AMONG MANY

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 01729 031829Z

IRREGULARITIES, OBTAINED 5 MILLION POUNDS FROM THE COM-

PANY FOR HIS PRIVATE USE. SCOTLAND YARD IS CONTINUING TO INVESTIGATE THE AFFAIR. ALTHOUGH THE REPORT CLEARED THORPE OF ANY CRIMINAL BEHAVIOR, IT SCORED HIM FOR NOT BEING "PROPERLY INFORMED" ABOUT THE COMPANY AND SAID HIS RELATIONSHIP WITH THE FAILED BANK IS "A CAUTIONARY TALE FOR ANY LEADILG POLITICIAN." IN A SUBSEQUENT PUBLIC STATEMENT, THORPE ADMITTED HE HAD MADE "AN ERROR IN JUDGE-MENT" AND THAT HE HAD PLACED "TOTAL RELIANCE AND FAITH IN QUARTERS WHERE IT IS NOW, ALAS, ALL TOO CLEAR THAT CONFIDENCE WAS WHOLLY MISPLACED."

3. IN AN EERIE AND LURID COINCIDENCE, ON THE SAME DAY THE BOARD OF TRADE REPORT WAS RELEASED, A MAN IN NORTH DEVON WITH A HISTORY OF MENTAL ILLNESS TOLD A COURT -- FULL OF FOREWARNED REPORTERS -- THAT HE WAS BEING HOUNDED BECAUSE HE HAD ONCE HAD A "SEXUAL RELATIONSHIP" WITH THORPE. THE ACCUSATION -- MADE WITH LESS FANFARE IN BOTH 1971 AND 1972 -- WAS UNSUBSTANTIATED' THORPE DIRECTLY DENIED IT AS A "WILD ALLEGATION", AND ALL ELEMENTS OF THE PARTY IMMEDIATELY CAME TO HIS DEFENSE.

4. COMMENT: ALTHOUGH THE PARTY HAS PREDICTABLY AND PUBLICLY RALLIED TO ITS LEADER'S SIDE IN THE PAST FEW DAYS, THE EVENTS OF LAST WEEK UNQUESTIONABLY FURTHER WEAKEND THE PARTY AND THORPE'S ALREADY UNCERTAIN HOLD ON THE LIBERAL LEADERSHIP REINS. AS WE HAVE REPORTED, THORPE HAS BEEN WIDELY CRITICIZED WITHIN THE PARTY AND AMONG HIS PARLIAMENTARY COLLEAGUES SINCE THE LAST ELECTION FOR FAILING TO BUILD ON THE FEBRUARY 1974 LIBERAL GAINS, AND LIBERALS IN AND OUT OF PARLIAMENT HAVE CONTRIBUTED ALMOST NOTHING TO THE RECENT INTENSE NATIONAL DEBATES ON THE ECONOMY, UNEMPLOYMENT AND DEVOLUTION. FURTHER, THE LIBERAL PARTY HAS ALWAYS HAD MORE SUCCESS IN ATTRACTING UNHAPPY TORIES WHEN THE CONSERVATIVES HEAD THE GOVERNMENT THAN DISSIDENT LABOR VOTERS WHEN THE LABOR PARTY IS IN POWER. SO THORPE'S RECENT MISFORTUNES MERELY ADDED MORE LOAD TO A LIBERAL CART THAT WAS MOTIONLESS ANYWAY. ALL THE SAME, JEREMY'S NINE-YEAR STINT AS LIBERAL LEADER IS PROBABLY DRAWING TO A CLOSE AND HIS PRETENDERS ARE EDGING CLOSER TO THE THRONE. BUT TO RESIGN NOW WOULD

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 01729 031829Z

BE REGARDED BY MANY AS AN ADMISSION OF GUILT, SO THESE EPISODES -- ESPECIALLY THE HOMOSEXUAL ALLEGATIONS -- COULD IRONICALLY PROLONG HIS DEPARTURE. THE QUESTION IS FOR HOW LONG. HE MAY GO AT THIS SEPTEMBER'S ANNUAL PARTY CONFERENCE; A LIBERAL VICTORY IN ONE OF NEXT MONTH'S THREE BI-ELECTIONS COULD EVEN KEEP HIM AT THE HELM UNTIL THE NEXT GENERAL ELECTION. BUT THORPE'S PREDECESSOR, JO GRIMOND, ONCE REMARKED THAT LIBERALS HAD 10 YEARS "TO GET

ON OR GET OUT , AND FOLLOWED HIS OWN ADVICE BY LEAVING  
THE LEADERSHIP AFTER A DECADE. IT WOULD SEEM THORPE'S  
TIME IN THE CATBIRD SEAT IS JUST ABOUT UP.

SPIERS

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, PARTY LEADERS, REPRESENTATIONAL ACTIVITIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976LONDON01729  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760041-0390  
**From:** LONDON  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760288/aaaaczmu.tel  
**Line Count:** 120  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 MAR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <26 MAR 2004 by ElyME>; APPROVED <03 AUG 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** THOPPE IN THE NEWS  
**TAGS:** PINT, UK, (THORPE, JEREMY)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006